(b) if so, the reasons therefor;

(c) whether Government propose to intervene with a view to protect the domestic producers; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. A.K. PATEL): (a) to (d) Domestic manufacturers of Soda Ash are of the view that China is dumping Soda Ash into the Country. A separate procedure has been prescribed for dealing with such cases and evidence regarding dumping has to be adduced. The Soda Ash industry has been advised to file their application before the prescribed authority.

Retail Prices for Decontrolled Fertilizers

1097. SHRI SURESH KALMADI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government propose to lift its control on fixing maximum retail prices for decontrolled fertilizers; and

(b) if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. A.K. PATEL): (a) and (b) Fiscal sustainability and operational flexibility of the Special Concession Scheme on decontrolled fertilizers has to be ensured in the interest of continued availability of these fertilizers. However, a proposal for not indicating their maximum retail price is being examined by the government.

Modernisation of fertilizer companeis in Tamil Nadu

1098. SHRI V.P. DURAISAMY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the number of fertilizer companies situated in Tamil Nadu;

(b) whether Government have any plan to modernise these companies;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICAL AND FERTILIZERS (DR. A.K. PATAEL): (a) There are 5 major fertilizer plants in Tamil Nadu.

(b) to (d) Modernisation of fertilizer plants are undertaken by the promotors as and when required. Madras Fertilizers Limited has recently comissioned the expansion and rehabilitation of their existing plant.

Status of Assam Gas Cracker Project

1099. SHRI PARAG CHALIHA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state the present and latest status of Assam Gas Cracker Project?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. A.K. PATEL): Assam Industrial Development Corporation (AIDC) proposed for setting up a Gas Cracker to utilise gas available from oil fields in the State of Assam. A Letter of Intent (LOI) was issued to AIDC on 25.1.1991 for setting up gas cracker and other downstream units. The Government of Assam identified Reliance Industries Ltd. (RIL) as co-promoter of the project and a company Reliance Assam Petrochemicals Ltd. (RAPL) was incorporated. The LOI was subsequently transferred to RAPL.

Considering the potential contribution a mega complex can make towards socio-economic development of the region and certain inherent disadvantages of putting up the gas cracker project in Assam as compared to other regions in the country the Union Cabinet in 1994 and subsequently in 1977 approved following incentives/concessions:

(i) Provision of Rs. 377 crores as one time capital subsidy.

(ii) Provision of Associated Gas for the project at a price of Rs. 600 per thousand standard cubic meter for a period of 15 years.

(iii) Infrastructure subsidy of Rs. 72 crores to Oil India Ltd. for expenditure pertaining to Duliajan Gas Separation Plant.

(iv) GAIL, Gas Separation Plant under implementation at Lakwa to be transferred to the project at a price to be determined by an independent agency (BICP)

For implementation of the project, Government of Assam have identified 1262 acres of land at Tengakhat of which 128 acres of land have already been handed over to the Joint Venture Company i.e. RAPL. The remaining land is under the process of acquisition. Ministry of Petroleum & Natural Gas (P&NG) has committed supply of gas for the production of 2 lakh tonnes of Ethylene and Gas Supply Agreement between RAPL and OIL/ONGC is under finalisation. To augment availability of feedstock, RAPL have identified 3.25 lakh TPA of Naphtha from the State of Assam as supplementary feedstock. As regards Lakwa Gas Separation Plant, Bureau of Industrial Costs and Prices (BICP) have made recommendations about its transfer price. The BICP's recommendations are under consideration of Committee of Secretaries. RAPL have recruited 65 graduate engineers from the State of Assam and are currently undergoing training in various Units of RIL.

The Assam Gas Cracker Project is estimated to cost Rs. 3600 crores and is expected to be commissioned within 44 months of signing of the Gas Supply Agreement and handing over of entire land.

Sickness of Fertilizer Units

1100. SHRI LAJPAT RAI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the cost of imported urea is higher by Rs. 4,000/- per ton than that of the indigenously produced;

(b) whether production of urea in the country can be increased by 13 lakhs tonnes if the sick fertilizer plants are made operational by spending rupees one thousand crores; and

(c) whether due to shortage of urea, the production of foodgrains has declined?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. A.K. PATEL): (a) No, Sir. The average C&F price of urea imported during 1998-99 has been nearly Rs. 4300 per metric tonne against the weighted average retention price of indigenously produced urea of Rs. 6,772/- per metric tonne.

(b) There are two Central Public Sector Undertakings, namely, Fertilizer Corporation of India (FCI) and the Hindustan Fertilizer Corporation (HFC) which have been declared sick by the Board for Industrial & Financial Reconstruction (BIFR). An Expert Group had conducted independent technical appriasal of the revival packages including the health study of the sick units. It had estimated an investment of Rs. 2638 crore (at 1997 prices) for sindri, Ramagundam and Talcher units of FCI and Rs. 869 crore (at 1997 prices) for the Durgapur, Barauni and Namrup Units of HFC for their revival and for sustained annual production of 23.12 lakh MT of urea. The package also envisaged write off of interest and loans payable to Government of India to the tune of Rs. 1486 crore for FCI and Rs. 3520 crore for HFC. Based on this, proposals were considered by the Government which has so far approved revival only of Namrup units of HFC at an estimated investment of Rs. 350 crore. The decision in respect of the remaining units of HFC and FCI has been deferred.

(c) There has been no shortage of urea in the country since 1996-97. The production of foodgrains has registered increase from 192.43 million tonnes in 1997-98 to an estimated 195.25 million tonnes during